

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|                                   |   |                                      |
|-----------------------------------|---|--------------------------------------|
| In re:                            | ) | Chapter 11                           |
|                                   | ) |                                      |
| W.R. Grace & Co., <u>et al.</u> , | ) | Case No. 01-01139 (JKF)              |
|                                   | ) | (Jointly Administered)               |
|                                   | ) |                                      |
| Debtors.                          | ) | Objection Deadline: October 12, 2004 |
|                                   | ) | Hearing Date: TBD only if necessary  |

**SUMMARY OF THE VERIFIED APPLICATION OF LUKINS & ANNIS, P.S.  
FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT OF  
EXPENSES AS ZAI ADDITIONAL SPECIAL COUNSEL FOR THE INTERIM  
PERIOD FROM JUNE 1, 2004 THROUGH JUNE 30, 2004**

|  |                                       |
|--|---------------------------------------|
| Name of Applicant:   | Lukins & Annis, P.S.                  |
| Authorized to Provide Professional Services to:  | Zonolite Attic Insulation Claimants   |
| Date of Appointment:   | July 22, 2002                         |
| Period for which compensation and<br>Reimbursement is sought:  | June 1, 2004 through<br>June 30, 2004 |
| Amount of Compensation sought as actual,<br>Reasonable, and necessary:   | \$ 1,443.00                           |
| Amount of Expenses Reimbursement:  | \$ 3.02                               |
| This is a: <input checked="" type="checkbox"/> monthly <input type="checkbox"/> interim <input type="checkbox"/> final application |                                       |
| Prior Application filed: Yes.  |                                       |

| <b>Date Filed</b> | <b>Period Covered</b> | <b>Requested Fees</b> | <b>Requested Expenses</b> | <b>Status of Fees</b>           | <b>Status of Expenses</b>       |
|-------------------|-----------------------|-----------------------|---------------------------|---------------------------------|---------------------------------|
| 11/15/02          | 7/21/02 – 9/30/02     | \$37,691.00           | \$3,422.38                | No Objections served on counsel | No Objections served on counsel |
| 12/05/02          | 10/1/02 – 10/31/02    | \$24,143.00           | \$728.96                  | No Objections served on counsel | No Objections served on counsel |
| 02/10/03          | 11/1/02 – 11/30/02    | \$32,033.00           | \$629.26                  | No Objections served on counsel | No Objections served on counsel |
| 02/27/03          | 12/1/02 – 12/31/02    | \$32,330.00           | \$1,262.74                | No Objections served on counsel | No Objections served on counsel |
| 04/09/03          | 01/1/03 – 01/31/03    | \$41,977.00           | \$2,033.90                | No Objections served on counsel | No Objections served on counsel |
| 05/06/03          | 02/1/03 – 02/28/03    | \$22,950.00           | \$3,192.89                | No Objections served on counsel | No Objections served on counsel |
| 06/02/03          | 03/1/03 – 03/31/03    | \$40,463.00           | \$7,696.91                | No Objections served on counsel | No Objections served on counsel |
| 07/21/03          | 04/1/03 – 04/30/03    | \$35,032.00           | \$3,697.08                | No Objections served on counsel | No Objections served on counsel |
| 07/31/03          | 05/1/03 – 05/31/03    | \$30,578.00           | \$2,063.15                | No Objections served on counsel | No Objections served on counsel |
| 08/15/03          | 06/1/03 – 06/30/03    | \$40,623.00           | \$1,480.01                | No Objections served on counsel | No Objections served on counsel |
| 10/9/03           | 07/1/03 – 07/31/03    | \$56,280.00           | \$5,564.54                | No Objections served on counsel | No Objections served on counsel |
| 12/8/03           | 08/1/03 – 08/31/03    | \$37,790.00           | \$3,851.92                | No Objections served on counsel | No Objections served on counsel |
| 12/23/03          | 09/1/03 – 09/30/03    | \$28,605.00           | \$2,501.11                | No Objections served on counsel | No Objections served on counsel |
| 03/10/04          | 10/1/03 – 10/31/03    | \$13,755.00           | \$335.38                  | No Objections served on counsel | No Objections served on counsel |
| 04/26/04          | 11/1/03 – 11/30/03    | \$3,497.00            | \$193.59                  | No Objections served on counsel | No Objections served on counsel |
| 04/26/04          | 12/1/03 – 12/31/03    | \$608.00              | \$112.93                  | No Objections served on counsel | No Objections served on counsel |
| 06/17/04          | 01/1/04 – 01/31/04    | \$0.00                | \$695.68                  | No Objections served on counsel | No Objections served on counsel |
| 06/17/04          | 02/1/04 – 02/29/04    | \$0.00                | \$389.65                  | No Objections served on counsel | No Objections served on counsel |
| 06/17/04          | 03/1/04 – 03/31/04    | \$39.00               | \$22.39                   | No Objections served on counsel | No Objections served on counsel |
| 09/20/04          | 04/1/04 – 04/30/04    | \$277.00              | \$18.23                   | Pending                         | Pending                         |
| 09/20/04          | 05/1/04 – 05/31/04    | \$1,911.00            | \$124.50                  | Pending                         | Pending                         |

This is the twenty-first Lukins & Annis application for monthly interim compensation of services filed with the Bankruptcy Court in this Chapter 11 case.

The total expended for the preparation of this application is approximately 6 hours, and the corresponding estimated compensation *that will be requested in a future application* is approximately \$565.00.

The Lukins & Annis attorneys who rendered professional services in these cases during the Fee Period are:

| Name of Professional Person | Position with the applicant | Number of years as an attorney | Department | Hourly Billing Rate | Total billed hours | Total compensation |
|-----------------------------|-----------------------------|--------------------------------|------------|---------------------|--------------------|--------------------|
| Darrell W. Scott            | Partner                     | 14                             | Litigation | \$390               | 3.7                | \$1,443.00         |
| TOTALS                      |                             |                                |            |                     | 3.7                | \$1,443.00         |

#### Compensation by Project Category

| Category             | Total Hours | Total Fees |
|----------------------|-------------|------------|
| 22-ZAI Science Trial | 3.7 Hours   | \$1,443.00 |
| TOTALS               | 3.7 Hours   | \$1,443.00 |

#### 23-ZAI Science Trial Expenses

| Description                                      | Amount  |
|--|---------|
| Computer Assisted Legal Research                 |         |
| Telephone Expense                                | \$ .42  |
| Telephone Expense – Outside                      |         |
| Facsimile (\$1.00 per page)                      |         |
| Postage Expense                                  |         |
| Courier & Express Carriers                       |         |
| In-House Duplicating / Printing (\$.15 per page) | \$ 2.60 |
| Outside Duplicating / Printing                   |         |
| Lodging  |         |
| Transportation                                   |         |
| Air Travel Expense                               |         |
| Taxi Expense                                     |         |
| Mileage Expense                                  |         |
| Travel Meals                                     |         |
| Parking  |         |
| General Expense                                  |         |
| Expert Services                                  |         |
| Books/Videos                                     |         |
| Other (Explain):                                 |         |
| Total:   | \$ 3.02 |

Dated: September 20, 2004

ELZUFON AUSTIN REARDON  
TARLOV & MONDELL, P.A.

/s/ William D. Sullivan

William D. Sullivan (Bar No. 2820)  
Charlie Brown, III (Bar No. 3368)  
300 Delaware Avenue, Suite 1700  
P.O. Box 1630  
Wilmington, DE 19899  
Phone: (302) 428-3181  
FAX: (302) 777-7244

DELAWARE COUNSEL FOR ZAI CLAIMANTS

And

Darrell W. Scott, Esq.  
Lukins & Annis, P.S.  
717 W. Sprague Avenue, Suite 1600  
Spokane, WA 99201  
Phone: (509) 455-9555  
FAX: (509) 747-2323

SPECIAL COUNSEL FOR ZAI CLAIMANTS

VERIFICATION

STATE OF WASHINGTON       )  
  )  
COUNTY OF SPOKANE       )

Darrell W. Scott, after being duly sworn according to law, deposes and says:

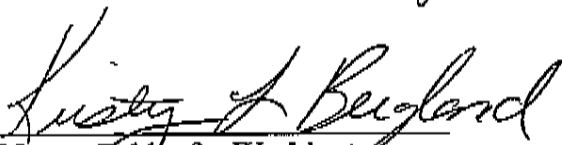
a) I am counsel with the applicant law firm Lukins & Annis, P.S. and have been admitted to appear before this Court.

b) I have personally performed many of the legal services rendered by Lukins & Annis, P.S. and am thoroughly familiar with the other work performed on behalf of the ZAI Claimants by the lawyers and paraprofessionals of Lukins & Annis, P.S.

c) I have reviewed the foregoing application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Del.Bankr.LR 2016-2 and the 'Amended Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members', signed April 17, 2002, and submit that the Application substantially complies with such Rule and Order.

  
DARRELL W. SCOTT, ESQ.

SWORN AND SUBSCRIBED  
Before me this 14 day of Sept., 2004

  
Notary Public for Washington  
Residing at Spokane  
My Commission Expires: 9/10/06



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FOR THE DISTRICT OF DELAWARE**

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|-----------------------------------|---|--------------------------------------|
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|                                   | ) | (Jointly Administered)               |
|                                   | ) |                                      |
| Debtors.                          | ) | Objection Deadline: October 12, 2004 |
|                                   | ) | Hearing Date: TBD only if necessary  |

**FEE DETAIL OF THE VERIFIED APPLICATION OF LUKINS & ANNIS, P.S.  
FOR COMPENSATION FOR SERVICES AND REIMBURSEMENT OF  
EXPENSES AS ZAI ADDITIONAL SPECIAL COUNSEL FOR THE INTERIM  
PERIOD FROM JUNE 1, 2004 THROUGH JUNE 30, 2004**

**TIME REPORT**

Lukins &amp; Annis, P.S.

Time Period 06/01/2004 - 06/30/2004

**CATEGORY 22: ZAI SCIENCE TRIAL**

| Date               | Timekeeper | Description   | Hours       | Hourly Rate | Total              |
|--------------------|------------|---|-------------|-------------|--------------------|
| 06/11/04           | DWS        | Phone conference with counsel regarding status reports (.6); review correspondence regarding ZAI status report to Judge Buckwalter (.2).  | 0.80        | \$ 390.00   | \$ 312.00          |
| 06/14/04           | DWS        | Review correspondence from counsel regarding ZAI status report (.1); email to co-counsel regarding same (.1); follow-up correspondence from counsel regarding ZAI status report (.2). | 0.40        | \$ 390.00   | \$ 156.00          |
| 06/16/04           | DWS        | Review outline regarding ZAI status report (.1); draft response to same (.5); phone call to co-counsel regarding ZAI status report (.3).  | 0.90        | \$ 390.00   | \$ 351.00          |
| 06/21/04           | DWS        | Phone call from co-counsel regarding ZAI status report (.7); final review of ZAI status report (.2).  | 0.90        | \$ 390.00   | \$ 351.00          |
| 06/22/04           | DWS        | Review of final status report (.1); email to co-counsel regarding same (.1); meeting with paralegal regarding status of science trial issues (.2).                                    | 0.40        | \$ 390.00   | \$ 156.00          |
| 06/29/04           | DWS        | Phone call from counsel for ZAI client regarding chronic residential ZAI exposure and cancer diagnosis (.2); review, revise, and execute quarterly fee application (.1).              | 0.30        | \$ 390.00   | \$ 117.00          |
| <b>SUBTOTAL</b>    |            |   | <b>3.70</b> |             | <b>\$ 1,443.00</b> |
| <b>TIME TOTAL:</b> |            |   | <b>3.70</b> |             | <b>\$ 1,443.00</b> |

**COST REPORT**

Lukins &amp; Annis, P.S.

Time Period 06/01/2004 - 06/30/2004

| <u>DATE</u> | <u>DESCRIPTION</u>    | <u>CHARGE</u>  |
|-------------|-----------------------|----------------|
| 6/14/2004   | Long Distance Charges | \$ 0.24        |
| 6/16/2004   | Long Distance Charges | \$ 0.12        |
| 6/16/2004   | Long Distance Charges | \$ 0.06        |
| 6/28/2004   | Photocopies           | \$ 2.60        |
|             | <b>Total</b>          | <b>\$ 3.02</b> |



**CERTIFICATE OF SERVICE**

I, William D. Sullivan, Esquire, hereby certify that on September 20, 2004, service of the foregoing *Verified Application of Lukins & Annis, P.S. for Compensation for Services and Reimbursement of Expenses as ZAI Additional Special Counsel for the Interim Period from June 1, 2004 Through June 30, 2004* was made upon the attached Service List via hand delivery or first class mail.

Dated: September 20, 2004  
Wilmington, Delaware

/s/ William D. Sullivan  
William D. Sullivan

**SERVICE LIST**

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